

## **Survivors & Beneficiaries FAQs**

### **Your Retirement Application and Options Webinar**

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#### **I'm still a bit confused about Survivor Continuance; can you review it one more time?**

Survivor Continuance is a contracted benefit paid for by some employers that provides a monthly payment to an eligible survivor following your death after retirement regardless of the retirement option you select.

An eligible survivor may be:

- Your spouse or domestic partner, if you were married for at least one year before your retirement and remained married until your death.
  - If you do not have an eligible spouse or registered domestic partner, your unmarried natural or adopted children under age 18 will receive this monthly benefit until marriage or age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued without interruption will receive this benefit until the disability ends or until marriage.
  - Qualifying economically dependent parents, if none of the above.
- It's important to note that while you can choose any person as the **beneficiary** of your retirement benefits after your death, only certain family members qualify as an eligible **survivor**.

If you do not have an eligible survivor, this benefit is not paid.

#### **So, would my stepdaughter be considered my survivor?**

No, only natural born or adopted children are eligible for survivor continuance.

#### **For same sex couples in CA, is the surviving spouse the same definition as opposite sex-married couples?**

Yes, for specific information see California Public Employees' Retirement Law (PERL) codes 21626.5 and 22775.

#### **What if you married after retirement and had a child under 18 years of age? Would the child receive the survivor benefit?**

No, if on the effective date of retirement the member has no eligible survivors and elected an optional settlement, no survivor allowance shall be paid.

#### **Must you be married for a year in order for the spouse to receive (survivor) benefits upon your death?**

It depends.

If the member is retired on a Service Retirement the spouse or registered domestic partner must have been married or registered:

- at least 1 year prior to retirement date and
- continuously until the member's death.

For Disability and Industrial Disability Retirements, a spouse or domestic partner would be an eligible survivor if they were married or registered to the member:

- on the date of retirement and
- continuously until the member's death.

**I am a widow with an only son over 18 so I have no one qualified for survivor continuance. I will select my son as beneficiary but since I am still somewhat young (56) and I marry at some point in the future, my future husband would get survivor continuance?**

No, if on the effective date of retirement the member has no eligible survivors and elected an optional settlement, no survivor allowance shall be paid.

**What about married children as possible survivors?**

Married children do not qualify for survivor continuance.

**How does a dependent parent get survivor benefits?**

If at the retired member's death, there is no eligible surviving spouse, domestic partner or children, the allowance shall be paid to a parent or parents dependent upon the member for support.

**Is the survivor's health, sex etc. other than age considered to establishing the survivor benefit?**

No.

**I want my husband to be my beneficiary and my oldest daughter to be my survivor. How do I indicate this when I retire?**

This is not possible. You cannot name your survivor since state law determines the qualification and order of a survivor. You could name your daughter as the beneficiary and as long as you were married a year before retiring, your spouse would be considered your survivor. However, if you are married or in a registered domestic partnership but do not name your spouse or partner as beneficiary, they may still be entitled to a community property share of the Option 1 lump sum return of contributions or a share of the monthly option death benefit allowance. It is strongly recommended that you get an estimate of all options you are considering before you submit an application for retirement.

**What happens to "survivor continuance" if I die before I retire?**

Survivor continuance is a post-retirement benefit; it is not applicable if you are not retired.

**What are the survivor benefits if you made Social Security payments prior to your CalPERS contribution? The instructor keeps mentioning if you made Social Security payments during your CalPERS term.**

Survivor continuance is only determined by your employment with a CalPERS employer.

### **How does divorce affect survivor benefits?**

For your spouse or registered domestic partner to qualify as your survivor, they must have been married to you at least one year before your retirement and remained married until your death.

If you do not have an eligible spouse or registered domestic partner, your unmarried natural or adopted children under age 18 will receive this monthly benefit until marriage or age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued without interruption will receive this benefit until the disability ends or until marriage.

Next would be qualifying economically dependent parents.

If there are no survivors, the benefit is not paid.

### **How can I find out if my employer contracts for Survivor Continuance?**

You can contact your employer, union or CalPERS.

### **Even if you have named a beneficiary, will the survivor take precedence?**

Survivor benefits and benefits paid to a named beneficiary, such as lump sum or monthly benefits, are two separate benefits, neither takes precedence over the other.

### **Can I name my trust or estate and spouse as the beneficiary?**

It depends; there are two types of beneficiaries.

- You may name any person, a corporation, your estate, or a trust as your lump sum beneficiary. The lump sum benefit is a one-time payment, such as your death benefit or the option 1 balance of your contributions.
- If you choose a retirement option that leaves a lifetime monthly benefit, you can only name a person as the beneficiary.

### **Can my beneficiary be an entity and not a person?**

Yes, but only as a beneficiary for a lump sum benefit, not a lifetime benefit.

### **If I select option 4 (2W+1) can I name a trust as the 2<sup>nd</sup> (option 1) beneficiary? If so, how do I enter that information?**

Yes, you can designate any person, corporation or your estate as beneficiary for the option 1 lump sum benefit.

If you want to designate a trust as your beneficiary, see the instructions in [Pub 43 A Guide to Completing Your CalPERS Service Retirement Application](#).

### **I plan to name my 15-year-old daughter as my beneficiary. How is that affected when she reaches 18 years of age?**

As long as you name your daughter as the beneficiary of an optional settlement based on a life contingency, in other word a lifetime benefit option, i.e. Option 2 or Option 3, she would receive the payment for her lifetime.

**I'm divorced, can I leave money to my children or have them be my beneficiary?**

Yes, but remember your CalPERS benefits are considered community property under California law. For information review [CalPERS On-Line](#) and the [CalPERS Community Property Model Order Package](#).

**After 20 years of marriage, and then get divorced, will spouse still get benefits?**

Your CalPERS benefits are considered community property under California law. For information review [CalPERS On-Line](#) and the [CalPERS Community Property Model Order Package](#).

**Is it possible to stop benefits to a beneficiary, such as a divorced spouse?**

The designation of a beneficiary under a monthly benefit option, i.e. Option 2 or Option 3, is irrevocable from the time of the first payment of any retirement allowance.

However, if the court awards you 100 percent interest in your CalPERS account, you can remove your former spouse or partner so they will not receive a monthly benefit upon your death.

For additional information, please review [Pub 98 Changing Your Beneficiary or Monthly Benefit After Retirement](#).

**What happens if I pass away while I am still working?**

As a CalPERS member, you are eligible for various pre-retirement death benefits depending on your membership category, employer, retirement eligibility status, and other factors. Each member's death benefits can vary significantly depending on circumstances and data.

Pre-retirement death benefits are discussed in your [specific member benefit publication](#). If you need additional information, after reviewing this publication, contact CalPERS.

**Is there a timeframe for the beneficiary to contact CalPERS after a spouse's death?**

CalPERS should be notified as soon as possible after the death of a member. CalPERS staff want to assist you with the steps you must take to ensure prompt and legally correct payment of death benefits. Benefit claim payments will not occur until proper documentation of entitlement is received.

**What happens if I do not have a beneficiary or survivor? What happens to my benefits?**

If no beneficiary designation is in effect at the time of death, benefits are paid to the closest surviving family members in the following order:

1. Spouse or registered domestic partner
2. Children (natural or adopted)
3. Parents
4. Brothers and sisters

5. Probated estate
6. Trust, if one exists
7. Stepchildren
8. Grandchildren (including step grandchildren)
9. Nieces and nephews
10. Great grandchildren
11. Cousins

**When filling out the beneficiary form, where do I put information in for a secondary beneficiary?**

You will need to complete a ***Post Retirement Lump Sum Beneficiary Designation*** form and return it with your retirement application if you are naming:

- more than three beneficiaries
- separate beneficiaries for the Retired Death Benefit, Option 1 Balance and the Temporary Annuity Balance
- secondary beneficiaries

This form is available in the [CalPERS Pub 98 What You Need to Know About Changing Your Beneficiary or Monthly Benefit After Retirement](#).